

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SHENZHEN ROOT TECHNOLOGY CO., LTD.,
Petitioner

v.
CHIARO TECHNOLOGY LTD.,
Patent Owner

IPR2024-00953
Patent 11,413,380 B2

**PETITIONER'S REPLY TO
PATENT OWNER'S PRELIMINARY RESPONSE**

Petitioner previously offered to dismiss this proceeding long before any preliminary response in lieu of a second IPR against the '380 patent. EX2005, 1-5 (ranking the petitions); EX2004, 83-86 (addressing the *General Plastic* factors). This was, effectively, an offer for a prompt termination in the discretion of the Board without the need for a formal institution decision. EX1017, 7-8 (“rather than rank the updated petition as being number one and the first one being number two, to simply just dismiss the first one”). Patent Owner opposed this option, instead promising in August that the POPR would address the first petition (1) “on the merits” and (2) at “the end of the month.” *Id.*, 23-24. Relying on these two promises of Patent Owner, the Board believed there would be prejudice against Patent Owner if this IPR was dismissed. Paper 8, 4 (“end of August” and “on the merits”).

Both promises were broken. Here, the POPR only addresses procedural issues based on §325(d) and *Fintiv*, all of which are sideways from the facts here. Worse yet, the POPR never even mentions *General Plastic*. Again, only one party did so. EX2004, 83-86. If Patent Owner merely wanted a discretionary termination without addressing the merits, it simply needed to join Petitioner’s earlier request. But alas, we turn now to the fatal flaws in Patent Owner’s §325(d) and *Fintiv* theories.

First, regarding §325(d), there is no dispute between the parties on the most critical fact regarding the *Advanced Bionics* framework. Namely, the three-way Chang-Weber-Guthrie combination in Ground 1A was never presented to the

Examiner and most certainly never addressed in any office action. *See* Pet., 6-8 (Office Actions instead based on “Khalil”). The POPR contends that “Chang was considered” (POPR, 28), but there is no dispute Chang was merely cited in an IDS and never raised in *any* obviousness combination. “The Board frequently holds that a reference that ‘was neither applied against the claims nor discussed by the Examiner’ does not weigh in favor of exercising the Board’s discretion under § 325(d) to deny a petition.” *Amazon.com, Inc. v. M2M Sols. LLC*, IPR2019-01205, Pap. 14, 15 (PTAB Jan. 27, 2020). Moreover, Weber was never cited at all, not even in an IDS. Rather, the POPR contends that Weber was considered “through the disclosure and discussion of Khalil.” POPR, 32. Patent Owner demands that the Board should deny institution under §325(d) because a different reference (Khalil) tersely mentioned a different publication (Schlienger) that has only *some* overlap with Weber. POPR, 32-33. Patent Owner invites the Board out onto a limb where no panel has previously ventured. It is too far. With Weber’s suggestion, the Chang-Weber-Guthrie combination provides the claim element the Examiner mistakenly believed to be missing from Khalil. Pet., 8 and 44-46. That is enough.

Second, regarding *Fintiv*, the POPR improperly leaps back-and-forth between “the *Willow* case” and “the *Shenzhen Root* case” depending upon which *Fintiv* Factor is being addressed. POPR, 47 (pointing to “the *Willow* case” for Factor 2), 51 (pointing to the “*Shenzhen Root* case” for Factor 5). This, of course, is contrary to

the Board's normal practice. *Intel Corp. v. Besang Inc.*, IPR2023-00991, Pap. 12, 19-23 (PTAB December 13, 2023) ("Petitioner is not a party to the Texas litigation. As such, the Texas litigation trial date does not tip *Fintiv* factor 2 in favor of discretionary denial"). Petitioner asks for the same fair treatment here. There is no dispute that Petitioner is a party only to "the *Shenzhen Root* case," and that there is no trial date for that case. POPR, 47; EX2004, 79-81 (noting why *Fintiv* factors for that case show "[r]esolution by the Board is expected in advance of a decision in the District Court, which mitigates against duplication of effort and serves efficiency").

Moreover, the POPR boldly assumes that "the *Willow* case" will start jury selection in a mere 5 months (in "March," POPR 47). It ignores that Patent Owner amended its Counterclaims only two weeks ago to add new/revised causes of action, the timing of which raises realistic questions of a schedule extension. There is not yet expert discovery nor any summary judgment motions. Indeed, there is not even a *Markman* order yet. EX2006, 27-28. The *Intel* case exemplifies how the *Fintiv* factors should apply, especially where, as here, Patent Owner proffered zero evidence of any overlapping prior art grounds. IPR2023-00991, Pap. 12, at 19-23.

The purpose of IPR is to "protect the public's 'paramount interest in seeing that patent monopolies ... are kept within their legitimate scope.'" *Cuozzo Speed Techs., LLC v. Lee*, 579 U.S. 261, 279-80 (2016). Full consideration of the Petitions *on the merits* (both here and in IPR2024-01296) fulfills this purpose. EX2005, 1-5.

Respectfully submitted,

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e)(4), the undersigned certifies that on October 11, 2024, a complete and entire copy of this Petitioner's Preliminary Reply to Patent Owner's Preliminary Response was provided via email, to the Petitioner by serving the email correspondence address of record as follows:

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